

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON THE JUDICIARY

September 30, 2002

**Don't Rob Working Artists, Vocalists, and Musicians!!
Vote "NO" on H.R. 5469**

Dear Colleague:

I understand that H.R. 5469 will be brought directly to the floor under suspension of the rules on Tuesday, October 1, 2002, with absolutely no consideration by the Judiciary Committee. In fact, this bill was introduced only this past Thursday. I urge you to vote "No" on this bill, which proposes that everyday vocalists, background musicians, and recording artists receive no payment for four years' of broadcasts.

As you may know, whenever a song is played on the Internet, the Internet company that plays the song must pay a fee to the record label that owns the song, the recording artist that performs it, and the vocalists and background musicians who contributed to it. Under the law, the record company gets 50% of the royalty, the recording artists gets 45%, and the vocalists and musicians each receive 2.5%.

On July 8, 2002, the Library of Congress determined how much artists, vocalists, and musicians should be paid for digital broadcasts of their songs that were made between 1998 and 2002. The decision was that, whenever a webcasting company would play a song on the Internet, these creators would receive a total of 0.07¢ per song per listener (less than one-tenth of one penny). As a result, for each song played on the Internet, the recording artist would be paid 0.032¢, and the vocalists and musicians each would receive 0.00175¢. The Librarian decided the payments would be due October 20, 2002. Both the Internet companies and the copyright owners were unhappy with this decision and are appealing in the D.C. Circuit Court of Appeals.

In the middle of the game, H.R. 5469 proposes to step in and rip up the paychecks of working musicians, vocalists, and artists. The legislation would prohibit these creators from receiving any royalties for 6 months starting on October 20. These artists have been waiting four years to get paid, and this bill would make them wait at least another six months.

Moreover, this is not an issue that affects only the most successful musicians; this legislation would impact the paycheck of every single recording artist, vocalist, and musician in every city, county, and state. It would mean less income for them and their families for the sole reason that Internet companies don't want to pay for the music on which they are building their businesses.

What is even more surprising is that, for the past several years, the Internet companies have been encouraging the creative community to make its songs available online. The rationale was that the creators would get paid a fair rate if they would use this new technology. Now that a rate has been set and the artists, vocalists, and musicians actually are using the Internet, these same companies are pushing Congress to give them the music for free.

I urge you to oppose this anti-artist, anti-musician, and anti-vocalist legislation. If you require any further information, please contact Sampak Garg (x5-1609) or Alec French (x5-7087) with the Democratic staff of the Judiciary Committee.

Sincerely,

John Conyers, Jr.
Ranking Member